

Notice of Non-Key Executive Decision

Subject Heading:	Increase personal transport mileage per mile rate to align with HRMC
Cabinet Member:	Cllr Kevin Gill Cabinet Member for Children & Young People
Decision Maker:	Tara Geere Director of Starting Well - Statutory Director of Children's Services
SLT Lead:	Trevor Cook Assistant Director of Education, Learning and Achievement Services
Report Author and contact details:	Adeolu Adesanya Travel Assistance Assessment Officer
Policy context:	This report seeks to align Havering Council's Personal Transport Budget (PTB) rate with His Majesty's Revenue and Customs (HMRC) rate and the Council's Transport Policy to ensure that the authority continues to fulfil its statutory obligation by providing sustainable and cost-effective travel assistance to children and young people.
Financial summary:	All additional costs will be met from existing General Fund budgets. It will continue to reduce the overall expenditure of the personal transport budget as it is one of our alternative transport solutions. The new rate came into force on 6 th April 2026 with advice from HMRC that any unpaid increase can be backdated. Current rate = £0.45p per mile

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	<p>HRMC's new rate = £0.55p per mile Proposed increase = £0.10p per mile</p> <p>Additional costs are from 06 April 2026 to the end of the academic year and amount to £21,205.00.</p> <p>Backdated payments to be made to parents and carers for 129 students from the period 06 April 2026 to 17 July 2026 to be paid at the next pay run.</p>
Relevant OSC:	People's OSSC
Is this decision exempt from being called-in?	The decision will be exempt from call in as it is a Non-Key Executive Decision

The subject matter of this report deals with the following Council Objectives

People - Things that matter for residents X

Place - A great place to live, work and enjoy

Resources - A well run Council that delivers for People and Place.

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

1. Increase the Personal Transport Budget (PTB) mileage rate from £0.45 to £0.55 per mile, in line with the updated HMRC Approved Mileage Allowance Payment rate for Employers.
2. Apply the additional £0.10 per mile to all eligible mileage-based PTB arrangements.
3. Pay parents and carers the backdated cost accrued from 6 April 2026 and use the new rate for eligible parents and carers of £0.55 per mile for the last month of the academic year, from 1 July 2026 to 17 July 2026.

These actions should ensure that all back dated payments are made and the new HMRC per mile rate is applied to the end of the academic year 17 July 2026.

AUTHORITY UNDER WHICH DECISION IS MADE

Scheme of Delegations

Functions Delegated to Officers

3.3.3 Powers common to all Strategic Directors

1. General

1.1 To take any steps, and take any decisions, necessary for the proper management and administration of their allocated directorate

2. Expenditure

2.1 To incur expenditure for their allocated directorate within the revenue and capital budgets as approved by the Council, or as otherwise approved, subject to any variation permitted by the Council's contract and financial procedure rules.

As notified to the Monitoring Officer in the Sub Delegation from the Director of Children's Services / Director of Starting Well to the Assistant Director, Education Services, dated 7 August 2025.

STATEMENT OF THE REASONS FOR THE DECISION

This decision is recommended to increase the mileage-based Personal Transport Budget (PTB) rate from £0.45 per mile to £0.55 per mile with effect from 6 April 2026, in line with the updated HMRC approved mileage allowance. Although there is no statutory requirement for the Council to adopt the HMRC rate, aligning the Council's PTB mileage rate with the national benchmark provides a fair, transparent and consistent basis for reimbursing families who use their own vehicles to transport

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children and young people with special educational needs and disabilities (SEND) to and from school.

The current rate of £0.45 per mile has been in place since January 2023 and was originally increased to maintain alignment with the HMRC benchmark at that time. HMRC has increased its approved mileage rate to £0.55 per mile from 6 April 2026. If the Council does not update its own mileage-based PTB rate accordingly, especially due to current fuel price hikes, there is a risk of inequity for families, an increase in complaints and disputes, and a reduction in parental willingness to participate in PTB arrangements. This could in turn lead to greater reliance on commissioned transport, which is more expensive and less flexible than PTB arrangements.

The decision applies only to PTB arrangements that are paid on a mileage basis and does not affect non-mileage PTBs, which are agreed individually where they represent a suitable and cost-effective alternative. The estimated cost (including backdated and remainder of the year) using the new HMRC mileage rate from 6 April 2026 to 19 July 2026 (the end of the academic year) is £21,205 for the 129 eligible students, and this can be met from within the existing Children's Services General Fund budget. The decision is therefore considered justified, proportionate, and necessary to support fairness to families, maintain confidence in the Council's travel assistance offer, and continue promoting PTBs as a practical and cost-effective option within Home to School Travel Assistance Services.

Maintaining an appropriate mileage rate supports continued parental participation in PTB arrangements and helps the Council sustain a practical, flexible, and cost-effective travel assistance offer. If the Council does not update the rate in line with HMRC, there is a risk of increased dissatisfaction from families, a rise in complaints, and a potential reduction in uptake of PTBs, which could in turn increase demand for more expensive commissioned transport solutions.

Cost Considerations

For **2026/27**, demand for travel assistance is expected to continue to rise. Based on current projections, around **1,400 students** may apply for travel assistance, with approximately **30%** expected to be considered for PTB. Increasing the mileage rate will therefore need to be managed within future service budgets, but PTB arrangements remain a more cost-effective option than many commissioned transport alternatives.

APRIL 2026	MAY 2026	June 2026	July 2026	TOTAL
14 School Days	15 School Days	22 School Days	14 School Days	

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£4,546.57 £4,882.64 £7,194.48 £4,581.31 **£21,205.**

For the 2026/27 academic year, based on increasing demand for travel assistance from previous years, 1400 students are projected to apply for travel assistance, out of which 30% are predicted to be considered for PTB.

Academic Year	Student Demand for Travel Assistance	Approved for PTB	%
2022/2023	823	69	8
2023-2024	876	124	14
2024-2025	1035	170	16
2025-2026	1179	286	24
2026-2027 Predicted	1400	467	30

OTHER OPTIONS CONSIDERED AND REJECTED

Option 1 – Maintain the current rate of £0.45 per mile

This option was rejected because it would risk complaints, reduce confidence in PTBs and increase demand for more costly alternative transport.

Option 2 – Introduce a tiered PTB rate based on distance travelled

This option was rejected because it would add administrative complexity, create inconsistency and increase the risk of confusion for parents and additional pressure on Council resources.

PRE-DECISION CONSULTATION

The increase of mileage rate for PTB to £0.55p has been reviewed by commissioning and operational colleagues, and it was concluded that bringing the mileage rate in line with the new HRMC national benchmark would reduce the risk of complaints, backdated funds being built up, and maintain continuity with additional funds being paid from the correct financial year 2026/27.

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: Adeolu Adesanya

Designation: Travel Assistance Assessment Officer

Signature:



Date: 16 June 2026

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Part B - Assessment of implications and risks –

LEGAL IMPLICATIONS AND RISKS

The Council is empowered to provide support with transport for eligible students which can be by way of financial allowances for reasonable travel expenses- see section 508B Education Act 1996.

There are no apparent legal implications in making the proposed decision.

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FINANCIAL IMPLICATIONS AND RISKS

Backdated payment of £21,205 is based on the incremental increase from 0.45p to 0.55p for mileage rate PTB only.

Cost centres to be charged are:

A33520-Pre 16 SEN Home to school transport

A33540-Post 16 SEN Home to school transport

Current budgets and forecasts are as follows:

Cost Centre	Revised Budget	Forecast
A33520-Pre 16 SEN Home to school transport	£7,089,666	£7,089,666
A33540-Post 16 SEN Home to school transport	£1,603,999	£1,603,999

The forecasts however have growth built in to accommodate the mileage rate increase.

PTB provides significant value for money per child in comparison to other transport arrangements. During 2025/26, PTB cost the authority £3.1k per passenger, when compared to the next most cost-effective mode of transport; travel training/other at £7.3k.

COST PER PASSENGER	24/25	25/26	26/27	27/28
	Actuals		Estimates (5% inflation linked)	
Buses	9,497.15	9,515.70	9,991.49	10,491.06
Taxis	14,710.05	14,848.97	15,591.42	16,370.99
PTB	2,331.81	3,191.95	3,351.55	3,519.13
Travel Training / Other	4,279.97	7,259.86	7,513.96	7,776.94

* Data as per the local send reform plan

The backdated amount for the mileage rate increase seems insignificant at £21k, however it's worth noting this does create a future obligation for the authority to pay an additional 10p per mile.

Based on 25/26 spend on PTB at £877k; adjusted mile rate from 0.45p to 0.55p would have resulted in an additional £197k of spend, equivalent to a 22% increase. However, despite this PTB continues to be the most cost-effective method of transport.

HUMAN RESOURCES IMPLICATIONS AND RISKS

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(AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)

The recommendations made in this report do not give rise to any identifiable HR risks or implications that would affect either the Council or its workforce.

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

The recommendations made in this report do not give rise to any identifiable equalities and social inclusion risks or implications that would affect either the Council or its workforce.

ENVIRONMENTAL AND CLIMATE CHANGE IMPLICATIONS AND RISKS

The recommendations made in this report do not give rise to any identifiable environmental and climate change risks or implications that would affect either the Council or its workforce.

HEALTH AND WELLBEING IMPLICATIONS AND RISKS

Havering Council is committed to protecting and promoting the health and wellbeing of residents. There are no direct health and wellbeing implications from the recommended decision to increase the personal transport budget mileage rate.

BACKGROUND PAPERS

Havering Travel Assistance Policy 2026-27

APPENDICIES

HRMC'S mileage allowance payment.

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Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision - Agreed

Details of decision maker



Name: Trevor Cook

Assistant Director of Education, Learning and Achievement Services

Date:

Lodging this notice

The signed decision notice must be delivered to Democratic Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on _____

Signed _____

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